

State Fiscal Stabilization Fund: Preventing Teacher Layoffs and Education Cuts and Modernizing Schools

- The bill establishes \$53.6 billion for a State Fiscal Stabilization Fund , which includes \$39.5 billion to local school districts using existing funding formulas, which can be used for preventing cutbacks, preventing layoffs, school modernization, or other purposes.
- The fund also provides \$5 billion to states as bonus grants for meeting key performance measures in education and \$8.8 billion to states for high priority needs such as public safety and other critical services, which may include education and for modernization, renovation and repairs of public school facilities and institutions of higher education facilities.

New Jersey will receive \$1.339 billion to modernize schools and prevent the laying off of teachers and other school employees. More information about the fund can be found at the [Department of Education website](#)

Additional Funding for Local Schools

- Provides \$13 billion for Title I grants to help close the achievement gap and enable disadvantaged students to reach their potential.
- Provides \$12.2 billion for grants for Special Education (IDEA). This level of funding will increase the Federal share of special education services to its highest level ever.
- Provides \$650 million for Education Technology to invest in 21st century classrooms, including funding computer labs and training teachers to use technology. *New Jersey will receive an estimated \$18,271,451 for Education Technology.*
- Provides \$300 million for improving teacher quality, including \$200 million for competitive grants to school districts and states to provide performance pay for teachers and principals who raise student achievement and close the achievement gaps in high-need schools and \$100 million for competitive grants to states to address teacher shortages and modernize the teaching workforce.

New Jersey will receive \$183,000,000 for Title I and \$370,394,000 for IDEA. To find out how much funding individual local school districts are estimated to receive for Title I and IDEA, please click [here](#) .

Investing in Early Childhood Development

- Head Start & Early Head Start programs are boosted by \$2.1 billion to allow an additional 124,000 children to participate in this program, providing development, educational, health, nutritional, social and other activities that prepare children to succeed in school.

New Jersey will receive an estimated \$12.5 million over two years for Head Start. Research has shown that Head Start works and is a good investment for taxpayers – saving society money in the long-term. Studies have shown that Head Start is one of the best ways to improve child well-being and increase the educational achievement and future productivity of children.

- Provides \$2 billion for the Child Care and Development Block Grant program to provide child care services to an additional 300,000 children in low-income families while their parents go to work.

New Jersey will receive \$34.19 million for the Child Care and Development Block Grant program.

Making College More Affordable

- Increases the maximum Pell Grant by \$500, for a maximum of \$5,350 in 2009 and \$5,550 in 2010, and also backfilling the program's funding shortfall – *benefitting 7 million students, including 136,000 in New Jersey*

- Creates a new "American Opportunity" tax credit with a maximum of \$2,500 rather than the current maximum of \$1,800 – to make college more affordable for millions of low- and moderate-income students.

- Adds \$200 million to the [Work-Study program](#) that supports undergraduate and graduate students who work while attending college. The increased funding will allow an additional 133,000 students to participate

According to the National Association of Independent Colleges and Universities, “Together these proposals mean that low-income students and families on the brink of stopping or dropping out of their higher education plans can stay in.”